

SUPREME COURT OF WISCONSIN  
OFFICE OF LAWYER REGULATION

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Public Reprimand With Consent

03-OLR-13

Donald J. Schwab  
Attorney at Law

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On July 13, 1999, an overdraft occurred on Attorney Donald J. Schwab's client trust account. Attorney Schwab explained that the overdraft occurred because he had made withdrawals from his client trust account and deposited the money into his business account to pay for business expenses including payroll. Attorney Schwab identified eleven withdrawals from his client trust account for attorney fees that he had not yet earned. These withdrawals totaled \$8,950.00. In order to credit the withdrawals that he took from the trust account, Attorney Schwab subsequently billed multiple clients for attorney fees that he had earned, but he did not withdraw these earned fees from the client trust account. In some instances, Attorney Schwab did not credit these advance withdrawals to his client trust account for over 16 months after making the withdrawal and in other instances, Schwab never fully credited the advance withdrawal.

A review of Attorney Schwab's client trust account bank statements disclosed two additional withdrawals made by Attorney Schwab that were not attributed to a client matter totaling \$700.00. Attorney Schwab did not credit either of these withdrawals to the client trust account. In addition, one client's retainer in the amount of \$750.00 was not deposited in the client trust account as indicated by Attorney Schwab's cash receipts journal, but was deposited directly into his business account.

In December 2000, Attorney Schwab opened a second client trust account. A review of the trust account records for the second client trust account disclosed two withdrawals made by Attorney Schwab that were not attributed to a client matter. These withdrawals totaled \$1,853.87. Attorney Schwab did not refund either of these withdrawals to the client trust account.

By withdrawing funds from his client trust accounts prior to earning the funds for attorney fees and depositing these funds into his business account, Attorney Schwab failed to hold in trust, separate from his own property, that property of clients that was in his possession in connection with their representations in violation of SCR 20:1.15(a).

In accordance with SCR 22.09(3), Attorney Donald J. Schwab is hereby publicly reprimanded with the conditions that he attend a trust account management seminar, and for a period of two years, submit his trust account records quarterly to OLR for review by staff.

Dated this 7th day of November, 2003.

SUPREME COURT OF WISCONSIN

/s/  
Gene B. Radcliffe, Referee